

WE CLAIM AS OUR INVENTION:

1. A method for a loan-making entity to provide payday advance loans to selected, qualified individuals, the method comprising the steps:

forming a first contract between the entity and an employer of said individuals for a system of payday advance loans from the entity as a benefit for such individual employees thereof;

forming a second contract between the entity and each of said individuals who may desire and qualify for a payday advance loan either presently or in the future;

taking said qualified individuals' applications from time to time to the entity for payday advance loans and disbursing funds from the entity to each of said qualified individuals;

advising the employer of each said loan, on or in advance of a payday for the borrowing individual, of the amount of the loan and fees agreed for processing and making the loan;

facilitating the employer's deducting the amount of the loan and fees from the net amount of the paycheck of each individual and paying the balance to the individual on said payday; and

facilitating the employer's paying the amount of said loans and fees of the participating individual to the entity upon said payday.

2. The method of claim 1 wherein when a plurality of loans are outstanding to more than one individual employee of the employer and repayable on a given payday, arranging to aggregate the loans and fees payable to the entity from the employer's paycheck deductions and to pay the aggregate to the entity on said payday.

3. The method of claim 1 further comprising the step of having each individual endorse a paper check for the loan amount which bears a legend above the endorsement

signature line that comprises a further contract for repayment of the loan and fees for the loan on the next payday and also a payroll deduction authorization.

4. The method of claim 1 wherein the first and the second contracts provide that if payable funds on the individual's next paycheck are insufficient to repay the loan and fees in full to the entity then at least a portion of the payable funds are paid to the entity and a new loan is created for the shortfall, payable with a further fee upon the next payday.

5. The method of claim 4 wherein the first contract provides that if an individual's employment relation with the employer is terminated before repayment of all loans and fees to the entity from net paychecks due, the entity accepts the loss subject to collection efforts by the entity against the individual, without liability of the employer.

6. The method of claim 1 wherein the payday advance loan monies are provided in cash by the entity to the individual in person.

7. The method of claim 1 wherein at least the arranging, advising, and facilitating steps are conducted over a global information computer network.

8. A system for administering, paying, and repaying payday advance loans, the system comprising:

a first contract between an employer and a money-lending entity, the contract providing for making payday advance loans to employees of the employer at minimal cost and risk to the employer and repayment of the loans and fees therefore by the employer from net earnings of each of the employees taking said loans;

a second contract between an employee of the employer and the entity, the second contract providing for the making of payday advance loans to the employee from the entity and authorizing payroll deductions for repaying the loan and paying the

fees therefore and for rolling over any unpaid amounts into a new loan on each payday;

a payday advance request or application form;

a payday advance loan approval processor and loan disbursement system operated by the entity in cooperation with the employer;

a payday advance loan and fee accounting aggregator system operated by the entity in cooperation with the employer for tracking loans, net pay, and payment of loans and fees from the net pay; and

a loan repayment system for transferring funds on said payday to the entity in the amount of the loans and fees being paid and for accounting for said transfers to the entity, to each of the employees, and to the employer.